

NATIONAL RAILWAY EQUIPMENT CO.



HOME OFFICE: 14400 S. ROBEY STREET · P. O. BOX 2270 · DIXMOOR, ILLINOIS 60426
TELEPHONE (708) 388-6002 · FAX (708) 388-2487

December 14, 2006



Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423-0001

RECORDATION NO. 26697 FILED

DEC 15 '06

11-20 AM

SURFACE TRANSPORTATION BOARD

Attn: Equipment Recordation

To Whom It May Concern:

I have enclosed for recordation, pursuant to the provisions of 49 U.S.C. 11301, an original and one counterpart of the memorandum of lease agreement and the schedule of equipment for a locomotive lease agreement dated September 12, 2006, a primary document under the Board's recordation regulations.

The names and addresses of the parties to the enclosed document are as follows:

Lessor: National Railway Equipment Co.
14400 S. Robey St.
Dixmoor, IL 60426

Lessee: Fort Worth & Western Railroad Company
6300 Ridglea Place
Suite 1200
Fort Worth, Texas 76116

A description of the equipment covered by the Lease Agreement is as follows:

Two EMD GP50 General Purpose Locomotives

A short summary of the document to appear in the index is as follows:

"Locomotive Lease Agreement"

Also enclosed is a check in the amount of \$34 payable to the Surface Transportation Board to cover the required recordation fee for the attached agreement.

Please date stamp and return an original copy after recordation to:

Ethan Crooks
National Railway Equipment Co.
14400 South Robey Street
P.O. Box 2270
Dixmoor, IL 60426

Sincerely yours,

NATIONAL RAILWAY EQUIPMENT CO.

By: _____

A handwritten signature in black ink, appearing to read 'Ethan Crooks', written over a horizontal line.

Ethan Crooks

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of September 12, 2006, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and FORT WORTH & WESTERN RAILROAD COMPANY ("Lessee"), with reference to the following:

RECORDATION NO. 26697 FILED 1.

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1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of September 12, 2006, (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LESSEE:

FORT WORTH & WESTERN RAILROAD COMPANY

By: 

Name: STEVEN P. GEORGE

Title: VICE PRESIDENT

LESSOR:

NATIONAL RAILWAY EQUIPMENT CO.

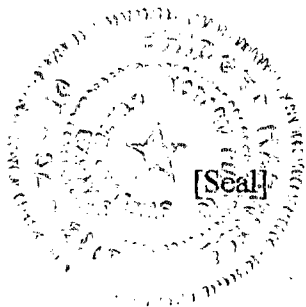
By: 

Name: James M. Wurtz, Jr.

Title: Vice President

STATE OF Texas)
COUNTY OF Tarrant) SS.

On this 21 day of September, 2006, before me appeared Steven P. George the person who signed this instrument who acknowledged that (s) he is the Vice President of Fort Worth + Western Railroad and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



Bridget Hawell

Notary Public

My Commission Expires:

7-2-2007

STATE OF ILLINOIS)
COUNTY OF WILL) SS.
Cook

On this 22nd day of September, 2006, before me appeared James M. Wurtz Jr., the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT CO.** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

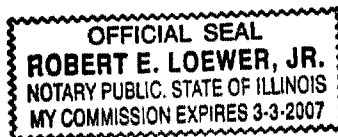
[Signature]

Notary Public

[Seal]

My Commission Expires:

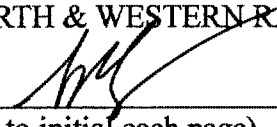
3-3-2007



SCHEDULE OF EQUIPMENT

Lessor: NATIONAL RAILWAY EQUIPMENT CO.

Lessee: FORT WORTH & WESTERN RAILROAD COMPANY

Approved by: 
(Lessee to initial each page)

Attached to Bill of Sale dated:

Equipment Located at:

National Railway Equipment Co.'s
manufacturing facility in Mt. Vernon, Illinois

Equipment Schedule No.: See Schedule "A"

Manufacturer and/or Vendor
Name & Invoice Number

Equipment
Description

National Railway Equipment Co.

EMD GP50 General Purpose Locomotives

SCHEDULE "A"

Attached to and incorporated into the Lease dated the 12th day of September, 2006 by and between the National Railway Equipment Co. (LESSOR) and Fort Worth & Western Railroad Company (LESSEE).

Type and General Description of Locomotive Unit, Marks and Numbers:

UNIT NO.	TYPE	GENERAL DESCRIPTION
NREX TBD	EMD	GP50 General Purpose Locomotive
NREX TBD	EMD	GP50 General Purpose Locomotive